SENATE RECORD VOTE ANALYSIS

105th Congress | April 2, 1998, 4:57 pm
2nd Session | **Vote No. 68** | Page S-3075 Temp. Record

BUDGET RESOLUTION/Paying for Tax Cuts & Social Security Reform

SUBJECT: **Senate Concurrent Budget Resolution for fiscal years 1999-2003 . . . S.Con. Res. 86. Brownback amendment No. 2177.**

ACTION: AMENDMENT AGREED TO, 52-46

SYNOPSIS: As reported, S.Con. Res. 86, the Senate Concurrent Budget Resolution for fiscal years 1999-2003, will balance the unified budget in 1998 and will run surpluses for each of the next 5 fiscal years. Both Federal spending and Federal revenues will increase 3.5 percent from fiscal year (FY) 1998 to FY 1999. All surpluses will be reserved for Social Security reform. A reserve fund will be established to allow the entire Federal share of revenues resulting from a potential tobacco settlement to be dedicated to bolstering Medicare's solvency.

The Brownback amendment would express the sense of the Senate that the functional totals underlying this resolution assume that the costs of tax cuts or Social Security reforms may be offset by eliminating discretionary spending programs, and that budget rules and laws should be amended to permit paying for tax cuts and Social Security reforms by eliminating discretionary spending programs.

Those favoring the amendment contended:

Under current budget "paygo" (deficit-neutral) procedures, neither tax cuts nor new mandatory spending may be offset by reductions in discretionary spending. The reason is that a tax cut will result in reduced revenues in the year it is enacted and in each succeeding year, and new mandatory spending will result in new spending in the year it is enacted and in each succeeding year, but a cut in discretionary spending will ordinarily only apply in the year it is enacted. For instance, if Congress were to pass a law giving a new welfare benefit, the people getting that benefit would get it the year it was enacted and every year thereafter unless Congress passed a new law taking it away. If Congress said it would pay for that benefit by cutting the amount spent on a discretionary spending program such as the Clean Water Program, though, it would have to cut that amount in the year it passed the benefit, it

(See other side)

YEAS (52)

Republicans (48 or 89%)

Abraham, Allard, Ashcroft, Bennett, Bond, Brownback, Burns, Campbell, Coats, Cochran, Collins, Coverdell, Craig, D'Amato, DeWine, Domenici, Enzi, Faircloth, Frist, Gramm, Grams, Grassley, Hagel, Hatch, Hutchinson, Hutchison, Inhofe, Kempthorne, Kyl, Lott, Lugar, Mack, McCain, McConnell, Murkowski, Nickles, Roberts, Roth, Santorum, Sessions, Shelby, Smith, Bob, Smith, Gordon, Stevens, Thomas, Thompson, Thurmond, Warner

Democrats (4 or 9%)

Bryan, Reid, Torricelli, Wyden

NAYS (46)

Republicans (6 or 11%)

Chafee, Gorton, Gregg, Jeffords, Snowe, Specter

Democrats (40 or 91%)

Akaka, Baucus, Biden, Bingaman, Boxer, Breaux, Bumpers, Byrd, Cleland, Conrad, Daschle, Dodd, Dorgan, Durbin, Feingold, Feinstein, Ford, Glenn, Graham, Harkin, Hollings, Johnson, Kennedy, Kerrey, Kerry, Kohl, Landrieu, Lautenberg, Leahy, Levin, Lieberman, Mikulski, Moseley-Braun, Moynihan, Murray, Reed, Robb, Rockefeller, Sarbanes, Wellstone

NOT VOTING (2)

Republicans (1)

Helms-[2AY]

Democrats (1)

Inouye-[2]

EXPLANATION OF ABSENCE:
1—Official Business
2—Necessarily Absent
3—Illness
4—Other

SYMBOLS:
AY—Announced Yea
AN—Announced Nay
PY—Paired Yea
PN—Paired Nay

would have to cut that same amount by law the next year, the next year, and so on for as long as the benefit existed. If in any year any Congress increased spending for the Clean Water Program the new welfare benefit would no longer be paid for.

However, we do not think that the principle applies when the discretionary savings come from the elimination of an entire Federal program. If, for instance, a program providing discretionary tobacco subsidies were totally eliminated, the savings would be as permanent as any tax relief or mandatory spending increase. The pressure would not exist to add a little bit back each year to the program if it no longer existed. The only other step that would be needed to make the change permanent would be to lower the discretionary spending caps by the same amount. In this manner, discretionary savings could be used as offsets for tax cuts or increased mandatory spending.

In our opinion, the two greatest Federal priorities should be to reduce the tax burden, which is now at 40 percent of income for the average American family, and to save Social Security, which will go broke in 2029 if reforms are not enacted. Some of the Federal Government's lowest priorities are to continue paying for many current discretionary spending programs, including programs that provide tobacco subsidies and programs that give corporate welfare to rich businesses. As far as we are concerned, those programs are not priorities at all--they are national embarrassments and outrages that should have been stopped long ago. Still, they have their defenders in Congress, and one of the reasons they have been able to survive is that the budget rules forbid the savings that would come from their elimination to be used to give tax relief or to reform the Social Security system.

Accordingly, we have offered the Brownback amendment to express the sense of the Senate that the budget rules should be changed. We should be allowed to use permanent discretionary savings to give the American people much-needed tax relief and to pay for Social Security reforms. The choice is simple--tax relief and Social Security reform or wasteful Government spending. We choose the former.

Those opposing the amendment contended:

We strongly oppose this amendment. The total percentage of the budget that is spent on discretionary spending is declining rapidly, and the Brownback amendment would speed that drop. Tax cuts have universal appeal, as does Social Security reform, but a lot of discretionary programs are more important in particular States. For instance, we agree with our colleagues that tobacco subsidies should be eliminated, though we doubt that the Senators from States such as North Carolina or Kentucky agree. Those Senators may prefer the elimination of agricultural programs that benefit wheat growers in the Midwest; Midwest Senators, in turn, may prefer the elimination of the Market Access Program which is of great benefit to agricultural products from the West Coast. Though we have used agriculture as an example, the reality is that various Government programs of all types tend to be more beneficial in some States than others, and that the whole process roughly evens out as discretionary programs compete against each other for funds from the total amount allocated for discretionary spending. Under the Brownback amendment, though, whole programs could be slated for termination in order to get funds for tax cuts. Our colleagues tell us that if their recommended change in the budget rules were enacted, it could be used to eliminate tobacco subsidies or corporate welfare to give middle-class tax relief. In response, it could also be used to eliminate a veterans program in order to give a new tax break to rich people. We are not in favor of allowing such a result, so we urge the defeat of this amendment.